IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

SUIT NO. 2390 OF 1994

The Sangli Bank Ltd. ... Plaintiffs

Vs.

Samir Kirit Parekh & Anr. ... Defendants

Mr.R.S.Kavle for Plaintiffs.

CORAM: S.K.SHAH,J.

DATE : 1st **September,2005.**

P.C.

1. The suit is undefended as against both the Defendants.

2. The Plaintiffs have filed the suit for recovery of the sum of Rs.8,13,723.35 together with interest.

3. The Plaintiffs are a Bank. The Plaintiffs allege that the Defendants have borrowed money by taking Banking facilities and the Defendant No.2 was the guarantor. The Defendant No.1 was granted Demand Cash Credit Facility against hypothecation of stocks to the extent of Rs.3,75,000/- and the Defendant No.1 had

executed the demand promissory note, letter of proprietorship, letter of lien and set-off, Continuing security letter, letter of hypothecation all dated 9.4.1988. The Plaintiffs allege that the defendant No.1 had utilised the facilities and the amount of Rs.8,13,723.35 remained unpaid. Therefore, the Plaintiffs filed the suit.

4. The Plaintiffs have produced the original documents of demand promissory note, letter of proprietorship, letter of lien and set-off, Continuing security letter and letter of hypothecation all executed on 9.4.1988. The Plaintiffs have also produced the letter of guarantee executed by Defendant No.2 dated 7.12.1988, letter of acknowledgment of debt executed by the Defendants dated 21.3.1991. The Plaintiffs have also produced the same set of documents executed on 7.12.1988 and the letter of guarantee dated 17.1.1990.

1. The Plaintiff have filed duly certified statement of Account of the defendant which shows an amount of Rs. 3,04,443. 35 Ps. due from the defendants as on 18th March, 1994 in Cash Credit Hypothecation Facility Account NO. 10 and Rs. 5,09,290/- due from defendant as on 18th March, 1994 in Inland Bill Discounting Account No. 6. Therefore, the total sum due from the defendants is Rs. 8,12,723.35 Ps. as on 18th March, 1994. On the aforesaid

evidence, the same is established. Hence, the Order:-

ORDER

1) The defendant Nos. 1 and 2 shall, jointly and severally pay to the Plaintiff Rs. 8,13,723.35 Ps. with interest thereon @ 16.5 % per annum, from the date of the Suit till the realisation of the entire amount.

2) The Suit is also decreed in terms of prayer clause (b) and (c).

3) The defendant Nos. 1 and 2 shall also pay the costs of the Plaintiff and bear their own.

4) A decree be drawn up accordingly.

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[S.K.Shah , J.]